Previous references.
B. Aug. 05 81-8. Banking 405 of 956
Aug. 02 " 1-2. R.7.11(c) 1908-9
(Banking)

Later references.

File No. 34-08

Serial Nos. 1—2

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1—2

Part B. for Jebnaary 1909

SUBJECT.

Adoption of coercive measures for the recovery of the sums due by the members of the Agricultural Banks at Kaggala in the Gundelpet Taluq.

1) From the Revenue Commr
No. 6389 of 15.11.08 (D. 2183
Recommends that Coercive measures
may be adopted to recover the sums
due by the members of Agl Banks at
Kaggala

2) To the Revenue Commr & Compl & and
the Inspector of Agricultural Banks
No. Je 3874-6 of 26.2.09
Sanctions the recommendations
in the above

G. R. S. 58

G.R.S.11]

1908.9

GENERAL AND REVENUE SECRETARIAT

(Banking)

NOTES.

File No. 34-08

FILE HEADING.

Re Agricultural Bank at Kaggala, Gundlupet Taluk.

From

The Revenue Commr in Mysore

No. 6389 Dated 18/12/08 Received 23/12/08

Diary No. 283	Enclos. 1	Spare Copies	Serial No.

BRIEF ABSTRACT OF LETTER.

Recommends that coercive measures may be allowed to be adopted for the recovery of the sums due by the members of the Agricultural Bank at Kaggala in the Gundlupet Taluk.

NOTES AND ORDERS.

The Inspector of Agricultural Banks in his letter containing full particulars requests that coercive measures may be adopted for the recovery of the sums due by the members of the Agricultural Bank at Kaggala

NOTES—First sheet

GPB—30,000—3-4-07

Serial No.

Y

Gundlupet Taluk, as they have failed to profit by the concession allowed by Govt in Regt Qos Bd Mr Lee Dy Comm and the Rev Comm recommend that the proposal may be sanctioned

Subd for orders. May the proposal be sanctioned

Mr.
4/12/08. The statement said to be appended to the Registrar's letter to the Revenue Comr has not been received. Apparently most of the properties have been again mortgaged - perhaps to the Bank. Since there is no likelihood of the members being ever able to repay the loan, the prolonging of the life of the Bank would seem to serve no purpose beyond benefitting the Sowcars, who, considering the bad investments they made are surely to have charged very heavy interest.

Please put up a draft approving of the Rev Comm's

GPB—50.000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

Banking
~~Ind~~ File No. 34 of 1905

3

Serial No.	
	Recommendation mrs 9/1/09
	Draft Subd Mr 12/1/09 mrs 12/1 /15 Genl Secy mrs 15-1-09
	Draft made as Secy 19-1-09 mrs 19/1
	Secy 11601/19.1.09 [Aft appd) Issue 1813 23/2/09 mrs 23.2.9
2	To Rev Commr, Comptr, Inspector of Agcl Banks No H 3874-6 of 26-2-09 Accepts the recommendation of the Rev-Commr & Instls the withdrawal of the balance of the Govt loan by the adoption of concurrent measures

NOTE—Contn. sheet.

GPB—50,000—18-5-08

No. 6389/1

OFFICE OF THE REV. COMR. IN MYSORE,

Bangalore, the 18th December, 1908.
22 9

FROM

A. RANGASWAMI IYENGAR, ESQ., B.A., B.L.,
Revenue Commissioner in Mysore.

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
General & Revenue Departments.

SIR,

I have the honor to submit, for the orders of Government, the accompanying copy of letter No.327/A.B.41, dated the 14th December 1908, from the Inspector of Agricultural Banks requesting that Government may be moved to direct the revival of coercive measures for the recovery of the sums due from the members of the Agricultural Bank at Kaggala in the Gundlupet Taluk. The arrears of instalments due to Government have been steadily increasing for the last three years as may be seen from the Inspector's letter. The total amount due to the bank from its members is, according to the statement referred to in para 2 of the letter, Rs.2769/- inclusive of interest, while the revised valua-tion of the properties of members mortgaged to the Bank amounts to Rs.2955/-. The remaining properties of members are reported to have been mostly mortgaged by them to local sowcars. Under these circumstances, I beg to recommend that coercive measures may be allowed to be adopted as urged by the Inspector.

I have the honor to be,

Sir,

Your most obedient servant.

K Subba Rao

For Revenue Commissioner.

B.K.

HW

D 4/3/12 S 2183

Rev. Comr Form 12.

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34-08
(1)

From

A. RANGASWAMI IYENGAR, Esq., B.A., B.L.,

Revenue Commissioner

in Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
General & Revenue Departments.

Dated 18th
Despatched 22nd } December 1908.

Received

No. 6389

Enclosure No. 8

Recommends that coercive measures may be allowed to be adopted for the recovery of the amount due from the members of the Agricultural Bank at Kaggala Gundlupet Taluk.

Young & Co., Printers, 2,000—6-3-07.

Letter No. 327/A.B. 41 dated 12th December 1908 from the Registrar, Co-Operative Societies in Mysore to the Revenue Commission in Mysore.

I have the honor to state that four years ago when the affairs of the Agricultural Bank at Kaggala in the Gundlepet Taluk were in an unsatisfactory condition and the instalments were not being paid regularly, Government ordered in their proceedings No. Fl. 939/B 114-95-2 dated 17th August 1904 that if the instalments due were not paid within three months time all the arrears should be recovered by adopting coersive measure Recoveries were being made in this manner when in 1905, the mem-bers of the Bank prayed for the substitution of individual liability for joint liability, as well as the reduction of the amount of annual instalments. The Government declined to grant both these requests. They were however pleased to suspend for a time (Vide Government order No. Fl 1452-4/B 4-05-7 dated 31st August 1905) the adoption of coersive measures ordered on the 17th August 1904, as by that time, out of a total of Rs 7,845/- due to-wards the principal a sum of Rs 4,045/- had been recover-ed, and the value of the properties afforded sufficient security for the balance. The Bank was accordingly permitted to remain, and the members were distinctly warned that the time thus grant-ed was only a concession and that any default in the punctual payment of the instalments would be at once followed by coercive measures for their collection.

2. In each of the three succeeding years, the Bank still continued to be in arrears as shewn in the margin in respect of the instalments. Thus it is clear that the members have entirely failed to profit by the concession allowed by Government. In spite of repeated warnings they have made no effort to reduce the arrears, nor do they seem to be earnest about the repayment of the Government loan.

At the end of June 1906 Rs. 1,670
1907 Rs. 1,900
1908 Rs. 2,100

3

loan I inspected this Bank on the 9th November 1908 and the statement appended to this office letter No. 317/A.B.41-57 dated 7th December 1908 gives the details of the loans due from each member to the Bank and the valuation of the hypothecated properties as recently made as per Revenue Commissioner's circular D.O Except three members who asked to be allowed time till the next SIVARATRI, when, they would harvest their Nadala crop, none of the others cared to make any representation and, left the matter in the hands of the 'S I R K A R ' as they said. The fact is as stated in the remarks coloumn of the statement the properties have been hypothecated a second time to the local Sowcars who take away half the annual produce of these lands, leaving only the reminder to the members who are thus unable to pay up the Government dues. From the enquiries made by me locally, I understood that if Government approved of the Bank being wound up and coercive measures being taken, the Sowcars would become more reasonable in their demands of interest and would finance the members to pay up the Government dues. The members are helpless at present, being entirely in the hands of their local creditors, and these latter have no interest in clearing the dues of Government in as much as by doing so they will be reduced to the necessity of reducing the rate of the grain interest which they are obtaining now. Under these circumstances, I request that you will be so good as to move the Government to direct the revival of the coercive measures in the case of the Bank in supercession of the order of 31st August 1905. The Deputy Commissioner, Mysore District, states in his letter No. 2569 dated 10th Instant that he is also of the same opinion.

" Copy "

For Revenue Commissioner

fair draft
Three copies

4

(G.R.S. 28)

File No. 3408
Serial No. 2

Diary No. of letter replied to 283

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.
(Banking)

, *the* 190

Date of issue 26-2-09

Signed by. [illegible]

READ—

Letter no: 6389 of the 18/12/08 from the Revenue Commr in Mysore, recommending that coercive measures may be allowed to be adopted for the recovery of the amounts due

~~ORDER THEREON, No.~~

from the members of the ~~Bank~~ agricultural Bank at Kaggala, Gundlupet Taluk

Order thereon

No H 3874-6 of 26-2-09

over

SUBJECT

GPB—10,000—10-4-06

The affairs of the bank being in an unsatisfactory state, Govt passed orders ~~ordered~~ so far back as August 1902 providing that if the instalments due were not paid within three months the arrears should be recovered by adopting coercive measures. On a representation by the members for considerate treatment Govt ordered in August 1905 the suspension of the coercive measures for a time and warned the authorities of the Bank that the extension of time allowed for paying up the overdue instalments was a concession and that any default in the payment of the amounts due would at once be followed by coercive measures. It is now reported that the members have failed to take advantage of this concession and in spite of repeated warnings have

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

made no effort to pay up their dues to the Bank, nor have they shown any earnestness in repaying the Govt loan with the result that the arrears have been steadily increasing for the last three years. It is also reported that the lands mortgaged to the Bank have been hypothecated a second time to the local sowcars who take away half the annual produce leaving only the remainder to the members who are thus unable to pay up the Govt dues. In these circumstances the Revenue Commt recommend, agreeing with the Dy Commt and the Inspector of Agricultural Banks, the withdrawal of the entire balance of loan borrowed from Govt by the adoption of coercive measures. As the Bank has ceased to serve any useful purpose and all attempts to resuscitate it have been in vain, Govt are constrained to accept

MGCPB—30,000—5-4-05.

This Recommendation of the Rev. Commr.

A report of the steps taken under this order should be submitted in due course for the information of Govt.

Secretary to Govt

To
The Revenue Commr in mysore.
The Comptroller to Govt
~~The Registrar of Joint Stock Companies~~
& The Inspector of Agricultural Banks in Mysore &
~~The~~ Registrar Cooperative Societies in Mysore.

Copies given 24/2